

get Democrats and Republicans together in a bipartisan way helping real working families.

#### DEMOCRATS NEVER SEE A TAX CUT THEY LIKE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Washington [Mrs. SMITH] is recognized for 5 minutes.

Mrs. SMITH of Washington. As my colleagues know, it does not surprise me that the gentleman from Illinois [Mr. DURBIN] does not believe this is a time for a family tax cut. Until 6 months ago, I was not planning to come here. I was a write-in candidate, and I was sent by a blue collar Democrat district who said, "We have had it with Congress. We're going to replace the person who is here who has never seen a tax cut she liked either," and they replaced her with me after I had passed a measure in our State that said no more tax increases without a toll of the people, after we had put our State on a budget of no larger budget increases than population and inflation. And guess what? They sent us a message, and they sent us a message because my colleagues who were here on the Democrat side have never in 42 years of being in control seen a middle-class tax cut that you liked.

Let me tell you my other profession, and I do believe politics can be a good profession, we can make it that, my other one, though, is preparing tax returns and helping people with their tax planning.

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For many years that is what I did for a living. Next April, let me tell the families that I worked for and helped plan their taxes what is going to happen on their taxes, and it will remove the rhetoric of the percentages and the crud that you have been hearing from the other side.

If you have two kids, I am going to say you got a \$1,000 bigger refund because you got those two kids than these folks that have been fighting and giving you all the rhetoric from the other side.

You pass this tax cut, it is \$1,000 in your pocket. You can fix the old car, you can take the kids to Disneyland, it is money in the bank if you have two kids.

Now, if you have three kids, you get \$1,500, and you need to also know that most kids are middle class, they are people right in the middle, mom and dad are working, they are under \$100,000.

This rhetoric about it going to the rich means if some rich person happens to have a kid, they get \$500, too. Now let me ask you, if I line up six kids here, are you going to tell me one of them is not worth \$500 and the other five are?

Mr. SAXTON. Will the gentlewoman yield to me?

Mrs. SMITH of Washington. I would be glad to.

Mr. SAXTON. Mr. Speaker, the gentlewoman just made a point that most families that are going to benefit from the \$500 tax credit are middle class, and that is, in fact, absolutely correct. This chart shows graphically just how that works out.

As a matter of fact, according to this chart, which comes from the Tax Foundation, who will get the contract's \$500 per child tax credit, it shows clearly that 85.5 percent of the people who will get the tax credit, the family earns less than \$75,000 a year as the gentlewoman correctly pointed out, and that those over \$75,000, there are only 12.5 percent who will benefit from the tax cut.

Mrs. SMITH of Washington. So it does not go to the rich unless some of us in the middle there are in the rich?

Mr. SAXTON. I said the families that make \$75,000 a year, perhaps the one spouse makes \$40,000 and the other spouse makes \$35,000 a year, that to most people today would be considered to be a middle-class family.

Mrs. SMITH of Washington. So that family next April when they come in and have their tax return done, that family is going to get \$500 off their taxes per child.

What was the rate? You know, I had heard it but I cannot remember. What was the rate? In 1948 I do know it was 2 percent of the family income went to Federal tax. I know it is somewhere around a quarter now. Do you know what that is now?

Mr. SAXTON. Well, on average today the total amount that government takes out of a family's budget is well over 40 percent.

Mrs. SMITH of Washington. And the Federal takes quite a bit?

Mr. SAXTON. This is an attempt to get back to what it was at an earlier time before inflation eroded the exemption that we have for members of our family.

Mrs. SMITH of Washington. Well, you know, I think it is just about time—

Mr. HOKE. Would the gentlewoman yield for one question?

Mrs. SMITH of Washington. I would be glad to yield.

Mr. HOKE. Does not what this chart reflect or prove is the central problem that we have got with taxation, and that is this chorus that you hear over and over and over which is to say, tax the rich, tax the rich, tax the rich? The problem with it is that there are not enough rich people to actually make the difference that they want to make.

The reason that we have a tax burden that is strangling this country is because there are too many taxes on middle-income working men and women, that is the problem. If we could go further, we would. That is the solution in easing the burden on the middle class.

Mrs. SMITH of Washington. That is right. I think when we do it tomorrow the American people are going to be tickled.

#### SUPER-WEALTHY GAIN AT EXPENSE OF COLLEGE STUDENTS

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, in the coming days, pundits and politicians will take to the airwaves to grade the Republican Contract With America and the first 100 days of the 104th Congress. But, how you grade the Contract With America all depends on where you're sitting:

For instance, if you're a billionaire tax evader sitting on a Caribbean beach somewhere, give the contract an A+, because Republicans have preserved the tax loophole that allows you to renounce your citizenship and avoid paying taxes.

And, if you're a lobbyist or a corporate special interest sitting in a wood-paneled boardroom, give the Contract an A+, because it eliminates that pesky corporate minimum tax and rolls back health and safety regulations.

But, if you're a senior citizen sitting in your New England apartment, the contract gets a failing grade, because it cuts your heating assistance for next winter.

If you're an elementary school student sitting down to a reduced-price lunch in the school cafeteria, the contract gets a failing grade, because it cuts school lunch and deprives thousands of children the one balanced meal they get all day.

And, if you're Victoria Dunn, a mother and college student who I met last week, the contract fails you twice.

Victoria, a 37-year-old student who also has a daughter who is a college freshman, came to a student loan forum I sponsored on Friday in my district. She came because Republican cuts in student loans threaten both her's and her daughter's education.

"I'm scared to death about this," she told me. "God forbid this happens and I can't finish my degree. It's my hope for my future."

In Connecticut, the Republican proposal would increase the cost of a college education by \$4,547 per student. Nationwide the Republican proposal represents a \$13 billion cut that will result in the largest increase in colleges costs in history. That's an increase that will end the dream of a college degree for many students in my State. Students like Victoria Dunn.

How you rate the first 100 days of the Republican-led Congress, all depends on your perspective. If you happen to be a lobbyist, a millionaire, a billionaire, or a corporate special interest—you're a winner. But, if you happen to be a child, a senior citizen, a student or a middle-class family, unfortunately, you lose.

I would now like to yield to my colleague from North Carolina, Mrs. CLAYTON.

Mrs. CLAYTON. I thank the gentlewoman from Connecticut for yielding.

Mr. Speaker, there are winners and losers in this tax bill. Americans should know, making the tax bill fair to Americans and who wins and who loses in that should be reemphasized. I just want to ask the gentlewoman from Connecticut, who do you think really are the big winners in this again? I understand that we are saying this is going to be tax relief all America is going to benefit from. The gentlewoman who spoke earlier said that when next tax time comes, who will be the great winners in this? Will it be the average American who is under the \$50,000 or will it be those who are working every day trying to send their kids to school, or will it be the very poor or who really will win under this big tax break we are going to give by Friday? Who are the winners under this?

Ms. DELAURO. Mr. Speaker, it is very clear. I tell the American people that they need to take a look at the numbers, not to listen to what we have to say, but it is clear those who make over \$200,000 in this country, the richest 1 or 2 percent in this Nation are going to get an \$11,000 tax break.

Those people who are working middle-class families who are making \$30,000, \$40,000, and \$50,000 a year are looking at a pittance in terms of a tax break. They are looking at \$274.

Now, you tell me where that is equity. The other piece of this tax cut package says to the richest corporations in this Nation, let's repeal the alternative minimum tax, that floor that you have to pay in taxes to this Nation to contribute to the well-being of this country, let's eliminate and you pay zero taxes to the United States.

Mrs. CLAYTON. Will the gentlewoman yield?

Ms. DELAURO. I would be happy to yield.

Mrs. CLAYTON. Mr. Speaker, also being part of an American is to have equity, and part of it we think the compassion of this American society would say that those that are most vulnerable should not have to pay at the expense of allowing those who are the very rich, that are schoolchildren, that are senior citizens, that are veterans. There are people who are paying dearly for this tax, in fact we have already paid for it and we will pay more.

Mr. Speaker, tomorrow we will begin debate on the Republican tax cut proposal.

At a time when low- and middle-income Americans are struggling to make ends meet, relief is being given to the rich, while burdens are being borne by the poor.

The tax cut plan gives \$11,000 to those who make more than \$200,000.

For those who make less than \$30,000, the plan allows a paltry \$124.

The plan reduces the capital gains tax to its lowest in 40 years, and gives the richest 1 percent in America, 20 percent of the tax breaks.

A \$500 tax credit is available to taxpayers who earn up to \$200,000.

While cutting taxes for the rich, the plan cuts programs for children, senior citizens, and college students.

Who loses under the plan, Mr. Speaker?

The Federal School Lunch Program, serving 25 million children each day; the Women, Infants, and Children Program, serving 100,000 pregnant women and children; and the student loan program, serving 4½ million students.

Who wins under the plan?

Those who have made billions in America and now renounce their citizenship to avoid taxes; those who have made millions and now want a tax giveaway on top of profits earned from investments; and those who have made the most money from those who have the least money.

To pay for this tax cut, the Republican majority has constructed a series of attacks on programs that benefit the poor.

Most of the money comes from spending caps and from drastic cuts in public assistance programs.

Little or none of the money comes from those with a lot of money.

We have heard that, "winning isn't the most important thing, it's the only thing."

Under the plan, those who need to win lose and those who do not need to win prevail.

In the end, Mr. Speaker, I suppose children, seniors, pregnant women, and students will win.

After all, winning is, "the only thing."

I thank the gentlewoman for yielding.

Ms. DELAURO. I thank the gentlewoman.

#### SENIOR CITIZENS WILL BENEFIT FROM THE REPUBLICAN TAX BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, the previous speaker talked about who are the winners in this tax bill that we are voting on tomorrow. Well, let me tell about who are some of the winners, and those are the senior citizens of this country.

The seniors represent a very large portion of my congressional district in Florida. In fact I have more senior citizens in my congressional district than any other congressional district in the country, and this bill has significant benefits for the seniors of our country. Let me tell you why.

First of all, we hear about the child tax credit and the capital gains. The seniors would support this tax bill just for those two reasons alone. For the child tax credit, who knows better the cost of raising a child than the senior citizens? It is their children and grandchildren who are raising these kids in the country today, and they know they need that \$500 tax credit. So that is one reason the seniors will support this bill.

Capital gains. Senior citizens have a lot to gain from the capital gains. When seniors retire from up north and move to my district in Florida, they are selling their small business, they are selling real estate, they are selling their investments, they are selling stocks, and they are moving to Florida. They are paying capital gains.

Mr. Speaker, capital gains affects real people that are not wealthy peo-

ple, and that includes senior citizens. So for those two reasons they should support the bill alone, but there are a number of very specific pieces of this legislation that help senior citizens specifically. Let me identify two of them. One is the repeal of the 1993 tax increase of social Security and the other one is raising the earnings limit on senior citizens.

Mr. HOKE. Would the gentleman yield for that?

Mr. MILLER of Florida. Yes.

Mr. HOKE. The gentleman said there were some winners, and the senior citizens are the winners under the bill. Have the senior citizens been the losers in the past year or so?

Mr. MILLER of Florida. Yes, seniors are always on the losing end. In 1993 that tax bill increased the tax on Social Security. Now, I don't know, this is over \$34,000 worth of income. That is not a wealthy person to me. They raised the tax on Social Security for someone making \$34,000 a year. That is not very fair.

Mr. HOKE. Mr. Speaker, my understanding is that that cut Social Security benefits for senior citizens by \$24.8 billion. Not a single Republican voted for that either in the House or the Senate?

Mr. MILLER of Florida. Absolutely. That tax increase in 1993 was a tax increase to balance the budget and to reduce spending. That thing, our deficit in this country is getting higher and higher every year. The solution to solving our deficit problem is cutting spending, not raising taxes.

As Ronald Reagan used to say, it is not that we are taxed too little, we spend too much. Until we address the spending side of the equation we are not going to get this deficit under control, so raising taxes in 1993 was a wasted exercise and it was very painful for our senior citizens as they are finding out this month of April when they pay their taxes for 1994.

Another thing that is going to be really good for seniors, in addition to the repeal of that tax increase in 1993, the other is raising the earnings limit for senior citizens. This is a penalty on lower income seniors. If you make over \$11,280 you get taxed at 33 percent of your Social Security income.

President Clinton campaigned on that issue back in 1992, and we do not even hear about it anymore. It is a regressive tax on working seniors. Wealthy seniors, they have \$100,000 of income on interest and dividends and stock investments and such, they get to draw their Social Security, but a working senior citizen, once he makes over \$11,280 has to pay a 33 percent tax. That is in effect what he is paying. That is not fair.

This tax bill repeals that over the next 5 years. This tax relief bill is good for senior citizens, it is paid for by spending reductions, and that is the only way we are going to balance this budget, is when we go after spending reductions. It starts us on the glide